



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt resolution authorizing the City Manager to allocate a \$21,807 Public Benefits Program grant to the LOEL Foundation/Senior Center for the purchase and installation of a 3kW photovoltaic system (EUD)

MEETING DATE: September 7, 2005

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: Adopt a resolution authorizing the City Manager to allocate a \$21,807.00 Public Benefits Program grant to the LOEL Foundation for the purchase and installation of a 3kW photovoltaic system.

BACKGROUND INFORMATION: Earlier this summer, LOEL Foundation representatives contacted the City of Lodi Electric Utility requesting information regarding the possible installation of a photovoltaic system. LOEL Foundation representatives were also seeking ways to reduce monthly energy consumption. Following a brief overview of photovoltaic options to the LOEL Foundation Board by Electric Utility staff, LOEL representatives then contacted several solar installation contractors to solicit project descriptions and bids.

Based upon their research, and the information provided by these solar installation professionals, the LOEL Foundation Board approved pursuing a 3kW photovoltaic system. The LOEL Foundation, by way of this Council agenda item, is seeking a Public Benefits Program grant in the amount of \$21,807.00. This amount reflects the most competitive price provided by one of the solar installation contractors that bid on the proposed LOEL Foundation project. As has been the practice, the City of Lodi Public Benefits Program provides direct grants to non-profit organizations (such as the LOEL Foundation), for such projects as demand-side management/energy conservation, and new & emerging/renewable energy technologies (this proposed solar project).

Electric Utility staff has reviewed the scope of work for the proposed photovoltaic project, and is supportive of this grant request. The LOEL Foundation has agreed to allow their project to be listed as a "solar demonstration site," whereby the location will be listed on the Electric Utility's website, and appropriate signage/information will be placed at the LOEL Foundation touting the project. Electric Utility staff is hopeful that such a project, located at a highly visible locale, will spur more citizen interest in solar/photovoltaic technology.

In summation, this project accomplishes three important goals: 1) the LOEL Foundation reduces monthly utility expenses, and can then shift those savings to clients programs and needs; 2) the project serves as another solar demonstration site for the citizens of Lodi to examine; and 3) the 3kW photovoltaic system will assist the Electric Utility, by generating electricity during the mid-day and afternoon "peak utility hours," thus reducing the need to purchase more costly electricity during this time period ("peak" is generally 12:00pm to 6:00pm, Monday through Friday).

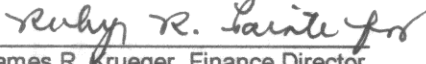
APPROVED:

Blair King, City Manager

Electric Utility staff respectfully recommends approval of this grant request, as a qualifying component of the City of Lodi Public Benefits Program, in the category of Renewable Energy Resources & Technologies.

FISCAL IMPACT: The exact fiscal impact to the City of Lodi will be determined after 12 months; however, based upon current projections, the proposed 3kW photovoltaic system will offset approximately 6% of the LOEL Foundations annual energy provided by the City of Lodi Electric Utility. This 6% equates to roughly 5,100 kWh of electricity (with a \$0.10/kWh electric utility rate, the City of Lodi will see an annual decrease in revenue of approximately \$510.00; formula: $\$0.10/\text{kWh} \times 5,100\text{kWh} = \510.00).

FUNDING AVAILABLE: 164608 – Public Benefits Program (Category: Renewable Energy Resources and Technologies)


James R. Krueger, Finance Director


Mel Grandi
Electric Utility Director - Interim

Prepared By: Rob Lechner, Manager, Customer Service and Programs

MG/RL/lst

c: City Attorney

RESOLUTION NO. 2005-191

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE
CITY MANAGER TO ALLOCATE A PUBLIC BENEFITS PROGRAM GRANT TO
LOEL FOUNDATION/SENIOR CENTER FOR THE PURCHASE AND INSTALLATION
OF A 3kW PHOTOVOLTAIC SYSTEM

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WHEREAS, LOEL Foundation representatives contacted the City of Lodi Electric Utility requesting information regarding the possible installation of a photovoltaic system; and

WHEREAS, LOEL Foundation representatives were also seeking ways to reduce monthly energy consumption. Following a brief overview of photovoltaic options to the LOEL Foundation Board by Electric Utility staff, LOEL representatives then contacted several solar installation contractors to solicit project descriptions and bids; and

WHEREAS, based upon research and information provided by solar installation professionals, the LOEL Foundation Board approved pursuing a 3kW photovoltaic system; and

WHEREAS, the LOEL Foundation has requested a Public Benefits Program grant in the amount of \$21,807.00, which reflects the most competitive price provided by one of the solar installation contractors that bid on the proposed LOEL Foundation project; and

WHEREAS, the City of Lodi Public Benefits Program provides direct grants to non-profit organizations for such projects as demand-side management/energy conservation and new and emerging/renewable energy technologies; and

WHEREAS, Electric Utility staff has reviewed the scope of work for the proposed photovoltaic project and is supportive of this grant request; and

WHEREAS, this project accomplishes three important goals: 1) the LOEL Foundation reduces monthly utility expenses and can then shift those savings to clients' programs and needs; 2) the project serves as another solar demonstration site for the citizens of Lodi to examine; and 3) the 3kW photovoltaic system will assist the Electric Utility, by generating electricity during the mid-day and afternoon "peak utility hours," thus reducing the need to purchase more costly electricity during this time period ("peak" is generally 12 p.m. to 6 p.m., Monday through Friday); and

WHEREAS, the Electric Utility staff respectfully recommends approval of this grant request as a qualifying component of the City of Lodi Public Benefits Program in the category of Renewable Energy Resources and Technologies.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby authorizes the City Manager to provide a Public Benefits Program Grant in the amount of \$21,807.00 to the LOEL Foundation as a qualifying component of the City of Lodi Public Benefits Program in the category of Renewable Energy Resources and Technologies.

Dated: September 7, 2005

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I hereby certify that Resolution No. 2005-191 was passed and adopted by the Lodi City Council in a regular meeting held September 7, 2005, by the following vote:

AYES:	COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Mounce, and Mayor Beckman
NOES:	COUNCIL MEMBERS – None
ABSENT:	COUNCIL MEMBERS – None
ABSTAIN:	COUNCIL MEMBERS – None


SUSAN J. BLACKSTON
City Clerk